MISSOURI-AMERICAN WATER COMPANY

Balance Sheet as of September 30, 2006 Per Books and Pro forma
Giving Effect as of that Date of the Proposed Financing

		Per Books	Tax-Exempt Refinancing		As Adjusted for Refinancing	Proposed Financings		Pro forma
1	Utility Plant - at original cost	1,104,837,968			1,104,837,968	185,883,849	(5)	1,290,721,817
2	Construction Work in Progress	21,273,217			21,273,217			21,273,217
3	Accumulated Depreciation	(296,907,949)			(296,907,949)			(296,907,949)
4	Utility Plant Acquisition Adjustments	10,041,929			10,041,929			10,041,929
5	Utility Plant Acquisition Adjustments Deferred Taxes	-			-			-
6	Net Utility Plant	839,245,165	-		839,245,165	185,883,849		1,025,129,014
7								
8	Non Utility Property	-			-			-
9	Other Investments	73,003			73,003			73,003
10								
11	Cash and Cash Equivalents	1,742,696			1,742,696			1,742,696
12	Customer Accounts Receivable	12,952,662			12,952,662			12,952,662
13	Allowance for Uncollectible Accounts	(856,314)			(856,314)			(856,314)
14	Unbilled Revenues	19,919,424			19,919,424			19,919,424
15	FIT Refund Due from Associated Companies	126,299			126,299			126,299
16	Miscellaneous Receivables	925,297			925,297			925,297
17	Materials and Supplies - at average cost	2,963,053			2,963,053			2,963,053
18	Other	2,208,995			2,208,995			2,208,995
19	Total Current Assets	39,982,112	-		39,982,112	-		39,982,112
20								
21	Debt and Preferred Stock Expense	10,163,441	1,519,905	(1)	11,683,346	1,600,000	(6)	13,283,346
22	Expense of Rate Proceedings	166,623			166,623			166,623
23	Preliminary Survey & Investigation Charges	10,868			10,868			10,868
24	Regulatory Asset - Income Taxes Recoverable Thru Rates	25,425,836			25,425,836			25,425,836
25	Other	17,643,878			17,643,878			17,643,878
26	Total Deferred Debits	53,410,646	1,519,905		54,930,551	1,600,000		56,530,551
27								
28	Total Assets	932,710,926	1,519,905		934,230,831	187,483,849		1,121,714,680
29								

MISSOURI-AMERICAN WATER COMPANY

Balance Sheet as of September 30, 2006 Per Books and Pro forma
Giving Effect as of that Date of the Proposed Financing

		Per Books	Tax-Exempt Refinancing		As Adjusted for Refinancing	Proposed Financings		Pro forma
30								
31	Common Stock	95,994,075			95,994,075			95,994,075
32	Paid-in Capital	2,764,716			2,764,716	105,000,000	(7)	107,764,716
33	Retained Earnings	133,127,721			133,127,721			133,127,721
34	Total Common Equity	231,886,512	-		231,886,512	105,000,000		336,886,512
35	Preferred Stock	2,644,000			2,644,000			2,644,000
36	Long-Term Debt	213,245,000	-	(2)	213,245,000	200,000,000	(8)	413,245,000
37	Total Capitalization	447,775,512	-		447,775,512	305,000,000		752,775,512
38								
39	Bank Debt - Pending Issuance of Securities	44,033,850	2,482,301	(3)	46,516,151	(46,516,151)	(9,10)	-
40	Current Portion of Long-Term Debt	71,000,000			71,000,000	(71,000,000)	(11)	-
41	Current Portion of Preferred Stock	12,000			12,000			12,000
42	Accounts Payable	8,476,421			8,476,421			8,476,421
43	Taxes Accrued	25,779,743			25,779,743			25,779,743
44	Interest Accrued	3,984,758	(962,396)	(4)	3,022,362			3,022,362
45	Customer Deposits	259			259			259
46	Dividends Declared	-			-			-
47	Other	10,975,556			10,975,556			10,975,556
48	Total Current Liabilities	164,262,587	1,519,905		165,782,492	(117,516,151)		48,266,341
49								
50	Customer Advances for Construction	64,265,996			64,265,996			64,265,996
51	Deferred Income Taxes	88,938,189			88,938,189			88,938,189
52	Deferred Income Taxes - Acquisition Adjustment	-			-			-
53	Deferred Investment Tax Credits	4,239,704			4,239,704			4,239,704
54	Regulatory Liability - Income Taxes Recoverable Thru Rates	3,613,419			3,613,419			3,613,419
55	Other	24,748,363			24,748,363			24,748,363
56	Total Deferred Credits	185,805,671	-		185,805,671	-		185,805,671
57								
58	Contributions in Aid of Construction	134,867,156			134,867,156			134,867,156
59								
60	Total Capital and Liabilities	932,710,926	1,519,905		934,230,831	187,483,849		1,121,714,680

MISSOURI-AMERICAN WATER COMPANY

Balance Sheet as of September 30, 2006 Per Books and Pro forma
Giving Effect as of that Date of the Proposed Financing

Narrative Description of Adjustments

(1) Debt and Preferred Stock Expense		
Recording Entry for Debt Issuance Expense to be amortized over life of new bond issued	$	1,519,905
(2) Long-Term Debt		
Per the completed financing, five existing tax-exempt issues totaling $57,480,000 were called and replaced with one new tax-exempt issue totaling $57,480,000. The net affect on long-term debt would be $0.	$	-
(3) Bank Debt - Pending Issuance of Securities		
Payment of Debt Issuance Expense and Accrued Interest Expense	$	2,482,301
(4) Accrued Interest Expense		
As of September 30, 2006, the five refinanced tax-exempt issues had accrued interest expense totaling $962,396 which was paid at the time of the refinancing.	$	(962,396)
(5) Utility Plant - at original cost		
Estimated additional Capital Expenditures through December 2008, net of internally generated funds	$	185,883,849
(6) Debt and Preferred Stock Expense		
Recording Entry for Debt Issuance Expense to be amortized over life of proposed Long Term Debt	$	1,600,000
(7) Paid-in Capital		
Proposed additional Common Stock through December 2008	$	105,000,000
(8) Long-Term Debt		
Proposed additional Long Term Debt through December 2008	$	200,000,000
(9) Bank Debt - Pending Issuance of Securities		
Payment of Debt Issuance Expense	$	1,600,000
(10) Bank Debt - Pending Issuance of Securities		
Bank Debt refinanced through proposed Long Term Debt	$	(48,116,151)
(11) Long-Term Debt		
Long Term Debt Maturing before December 2008	$	(71,000,000)